

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 59th LEGISLATURE - REGULAR SESSION

JOINT APPROPRIATIONS SUBCOMMITTEE ON HEALTH AND HUMAN SERVICES

Call to Order: By **CHAIRMAN CHRISTINE KAUFMANN**, on January 20, 2005 at 8:00 A.M., in Room 102 Capitol.

ROLL CALL

Members Present:

Rep. Christine Kaufmann, Chairman (D)
Sen. Dan Weinberg, Vice Chairman (D)
Sen. John Cobb (R)
Rep. Joey Jayne (D)
Sen. Greg Lind (D)
Rep. Penny Morgan (R)

Members Excused: Rep. Walter McNutt (R)

Members Absent: None.

Staff Present: Pat Gervais, Legislative Branch
Laura Good, Committee Secretary
Lois Steinbeck, Legislative Branch

Please Note. These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing & Date Posted:
Executive Action: Addictive and Mental Disorders
Division

{Comments: No audio is available for this portion of the proceedings.}

CHAIR REP. CHRISTINE KAUFMANN, HD 81, HELENA, called the meeting to order.

Ms. Steinbeck provided and discussed a handout on Statutory Authority Regarding Appropriation Administration.

EXHIBIT(jhh15a01)

Replying to **SEN. GREG LIND, SD 50, MISSOULA,** **Ms. Steinbeck** discussed application of statute and reporting requirements in making motions on Decision Packages (DP's).

Ms. Gervais provided and discussed a handout on Standard Motions.

EXHIBIT(jhh15a02)

Ms. Steinbeck provided and discussed a handout on Department of Public Health and Human Services (DPHHS) eligibility.

EXHIBIT(jhh15a03)

Ms. Steinbeck offered a history of the Appropriations Subcommittee for Health and Human Services (ASC HHS).

Mr. John Chappuis, Deputy Director, Department of Public Health and Human Services (DPHHS), discussed tobacco programs from the Department's point of view.

CHAIR KAUFMANN asked that the staff alert committee members anytime a DP affects I-149, so that such DP's can be delayed for a later vote.

EXECUTIVE ACTION ON ADDICTIVE AND MENTAL DISORDERS DIVISION

Motion/Vote: **REP. JOEY JAYNE, HD 15, ARLEE,** moved that **THE COMMITTEE APPROVE BASE BUDGET FUNDING FOR ALL DIVISIONS, AND THAT COMMITTEE MEMBERS BE ALLOWED TO GO BACK AND MAKE ADJUSTMENTS.** Motion carried unanimously by voice vote. **REP. MCNUTT** voted by proxy.

{Tape: 1; Side: A; Approx. Time Counter: 0.6 - 1}

Motion/Vote: **REP. JAYNE** moved that **ADDICTIVE AND MENTAL DISORDERS DIVISION (AMDD) DP 26 - FEDERAL MEDICAL ASSISTANCE PERCENTAGE (FMAP) ENHANCEMENT ADJUSTMENT - MENTAL HEALTH BE**

ADOPTED. Motion carried unanimously by voice vote. REP. MCNUTT voted by proxy.

CHAIR KAUFMANN stated that she would direct the committee to work through the all of the DP's in the AMDD budget, and wait to act on crisis stabilization and Disability Services Division (DSD) rate changes.

{Tape: 1; Side: A; Approx. Time Counter: 9.5}

Motion/Vote: **REP. KAUFMANN** moved that AMDD DP 32 - FMAP ADJUSTMENT - MENTAL HEALTH, BE ADOPTED. Motion carried unanimously by voice vote. **REP. MCNUTT** voted by proxy.

Ms. Steinbeck discussed AMDD DP 46 - Montana State Hospital (MSH) Base Funding Adjustments.

Ms. Steinbeck confirmed for **REP. PENNY MORGAN, HD 57, BILLINGS**, that if the MSH population decreases, DP 46 appropriations may decrease.

REP. MORGAN requested that DPHHS provide a proposal regarding the viability and financial impact of moving a number of MSH patients into a vacant wing of the Montana Mental Health Nursing Care Center (MMHNCC), and utilizing an Advanced Practical Registered Nurse (APRN) at MMHNCC in lieu of a psychiatrist.

SEN. DAN WEINBERG, SD 2, WHITEFISH, stated that before he could endorse such a measure, he would need information regarding quality of care issues and the appropriateness of transferring MSH patients to MMHNCC.

Ms. Joyce De Cunzo, Administrator, Addictive and Mental Disorders Division, stated that individuals at MSH require a different, generally more acute level of care than those at MMHNCC. She explained that 70% of MMHNCC admissions are patients from MSH who are considered for MMHNCC transfer on a constant, ongoing basis. She also told the committee that AMDD cannot safely or appropriately orchestrate a wholesale move of individuals from MSH to MMHNCC.

{Tape: 1; Side: A; Approx. Time Counter: 17}

Responding to **REP. MORGAN's** follow-up question, **Ms. De Cunzo** stated that of MMHNCC's 100 beds, 75 are generally filled.

Mr. Chappuis noted that both MMHNCC and MSH transfer individuals to group homes, as appropriate.

Prompted by **SEN. GREG LIND, SD 50, MISSOULA, Ms. De Cunzo** stated that AMDD hopes to decrease the appropriation requested in AMDD DP 46 by reducing the MSH population to the 175 individuals for whom AMDD's existing resources and staff can provide full care. She discussed how a high census complicates the overtime issue.

Mr. Ed Amberg, Administrator, MSH, provided and discussed a handout regarding MSH DP's, specifically AMDD DP 46, which deals with overtime, holiday pay and aggregate Full-Time Equivalent (FTE) funding.

EXHIBIT(jhh15a04)

{Tape: 1; Side: A; Approx. Time Counter: 27.7}

SEN. WEINBERG asked why AMDD DP 46 components are addressed as adjustments.

Ms. Steinbeck explained that a standard budgeting practice is to remove all overtime from state budgets. Because the overtime costs are not included in base budget, the division must request them separately.

Mr. Amberg told the committee that this request is quite routine for AMDD.

{Tape: 1; Side: B}

Mr. Amberg went on to confirm that these funds function as money for 2005 expenditures, not as a reimbursement for 2004 expenditures.

Responding to follow-up questions, **Mr. Amberg** discussed ways in which MSH tries to create savings in overtime costs and push those savings into the aggregate pool.

Ms. Steinbeck stated that depending on systemic change made through committee Executive Action, at the margin some of these costs might be able to be decreased.

Ms. Steinbeck also assured the committee that she would work with the Department to complete a proposal that satisfies **REP. MORGAN's** earlier request.

{Tape: 1; Side: B; Approx. Time Counter: 8.9}

SEN. WEINBERG requested direction from staff in terms of ways to allocate any future AMDD savings only to AMDD programs.

Ms. Steinbeck identified ways in which she and the Department can work together to achieve this.

{Tape: 1; Side: B; Approx. Time Counter: 11.5}

Motion/Vote: REP. KAUFMANN moved that AMDD DP 46 BE ADOPTED. Motion carried unanimously by voice vote. REP. MCNUTT voted by proxy.

Ms. Steinbeck discussed AMDD DP 48 - Montana Mental Health Nursing Care Center Base Budget Adjustment.

Motion/Vote: SEN. LIND moved that AMDD DP 48 BE ADOPTED. Motion carried unanimously by voice vote. REP. MCNUTT voted by proxy.

Ms. Steinbeck discussed AMDD DP 51 - Program of Assertive Community Treatment (PACT) Caseload Increase.

Responding to **SEN. LIND**, **Ms. De Cunzo** stated that PACT capacity is at more than one-half. She also discussed why AMDD DP 51 is a flagship division DP, and how it could expand care in significant ways.

Dr. Deb Sanchez, Home and Community Mental Health Services Program Manager, stated that 100 of the 140 PACT slots are currently filled. She provided and discussed 2005 PACT Report, and anticipated that all slots will fill in the coming year. She discussed difficulties in securing Medicaid funding for potential PACT participants.

[EXHIBIT\(jhh15a05\)](#)

{Tape: 1; Side: B; Approx. Time Counter: 19.6}

Responding to questions from **SEN. WEINBERG**, **Dr. Sanchez** stated that case management staff and PACT staff help potential PACT participants move through the system of Medicaid approval.

Prompted by **SEN. WEINBERG**, **Dr. Sanchez** discussed ways in which PACT will attempt to expand services to those who would benefit from PACT but are currently unserved.

SEN. WEINBERG requested more detailed information regarding this plan.

Ms. Steinbeck discussed the PACT program and participant eligibility.

Mr. Chappuis stated that eligibility technicians also provide information to consumers regarding Medicaid eligibility, retro-eligibility, and other avenues for service and financial support. He also discussed the Medicaid eligibility process.

Ms. De Cunzo discussed the MSH population, describing two distinct populations: those who are Medicaid eligible; and those who will never be eligible for Medicaid, or even the Mental Health Services Plan (MHSP). This second group of individuals are billed for their time at MSH, but because their financial situation generally declines following MSH treatment they often do not have the means to pay for their treatment.

{Tape: 2; Side: A}

Ms. De Cunzo described how this second group frequently recycle through MSH, unable to pay for mental health services and returning to the hospital in the event of an acute episode.

Ms. Gervais discussed strategies that other divisions have undertaken in helping individuals qualify for Supplemental Security Income.

At the request of **SEN. COBB**, **Ms. De Cunzo** reflected on the efficacy of undertaking similar efforts.

Responding to **SEN. LIND**, **Mr. Bob Mullen**, **Operations Bureau Chief**, discussed ways in which unspent PACT funds would be absorbed into and utilized by other AMDD programs.

Prompted by **REP. MORGAN**, **Ms. Steinbeck** discussed the Federal Mental Health Block Grant, as well as related Health Insurance Flexibility and Accountability (HIFA) issues.

{Tape: 2; Side: A; Approx. Time Counter: 8.6 - 9}

At the request of **CHAIR KAUFMANN**, **Ms. Steinbeck** discussed why AMDD DP 51 is a present law adjustment, not a new proposal.

Mr. Mullen discussed PACT as a Medicaid entitlement service.

Responding to **REP. JAYNE**, **Mr. Mullen** discussed how increased PACT funding might affect MSH expenditures and staffing.

Motion: **REP. KAUFMANN** moved that AMDD DP 51 BE ADOPTED.

Discussion:

REP. MORGAN suggested that a restriction and reporting language might be appropriate additions to AMDD DP 51.

Mr. Chappuis offered possible effects of restricting AMDD DP 51, and discussed funds shifting options.

{Tape: 2; Side: A; Approx. Time Counter: 18.6}

Ms. Steinbeck cautioned the committee, pointing out complex Medicaid and state funds interaction that might result in fewer total PACT slots.

Substitute Motion: **REP. KAUFMANN** made a substitute motion that **AMDD DP 51, RESTRICTED, WITH REPORTING LANGUAGE AS DRAFTED BY STAFF AND ACCEPTED BY COMMITTEE, BE ADOPTED.**

Discussion:

Responding to **SEN. LIND**, **Ms. Steinbeck** discussed the impact of slating AMDD DP 51 as One-Time-Only (OTO).

Ms. De Cunzo also noted the possibility of service cuts in the event that the committee makes AMDD 51 a OTO appropriation. She discussed the difficulties that could ensue, due to the fact that PACT is an entitlement program.

Vote: Motion carried unanimously by voice vote. **REP. MCNUTT** voted by proxy.

{Tape: 2; Side: B}

Following a brief break, **CHAIR KAUFMANN** called the meeting back to order.

Ms. Steinbeck discussed AMDD DP 62 - Montana State Hospital Present Law Adjustment.

Responding to **REP. MORGAN**, **Mr. Amberg** discussed past, current and future MSH fire station funding and equipment upgrades. He agreed to provide a breakdown of anticipated expenses.

Prompted by **SEN. LIND**, **Mr. Amberg** discussed AMDD prescription drug benefits and usage for non-acute care needs. He agreed to provide the committee with information regarding the top five most frequently utilized medications, as well as a breakdown of the percentage of drugs prescribed for psychiatric needs and those for other care needs.

Motion/Vote: REP. JAYNE moved that AMDD DP 62 BE ADOPTED. Motion carried unanimously by voice vote. REP. MCNUTT voted by proxy.

Ms. Steinbeck discussed AMDD DP 63 - Montana Mental Health Nursing Care Center Present Law Adjustment.

Motion: REP. JAYNE moved that AMDD DP 63 BE ADOPTED.

Discussion:

At the request of REP. MORGAN, **Ms. Steinbeck** discussed the effect of the Medicare Modernization Act (MMA) on today's DP's.

Vote: Motion carried unanimously by voice vote. REP. MCNUTT voted by proxy.

{Tape: 2; Side: B; Approx. Time Counter: 22.8}

Ms. Steinbeck discussed AMDD DP 126 - Mental Health Block Grant.

At the request of SEN. COBB, **Ms. De Cunzo** discussed AMDD's Maintenance of Effort (MOE) difficulties in the past biennium, and reported that Substance Abuse and Mental Health Services Administration (SAMHSA) has awarded Montana a conditional grant.

Mr. Mullen expressed his confidence that AMDD will meet its Federal Mental Health Block Grant MOE requirements.

Ms. Steinbeck directed the committee to Page B-196, pointing out a table that shows Federal Mental Health Grant programs.

Responding to SEN. LIND, **Mr. Mullen** discussed the program cuts and funds transfers that may take place if AMDD does not receive the Federal Mental Health Block Grant.

Motion/Vote: SEN. COBB moved that AMDD DP 126 BE ADOPTED. Motion carried unanimously by voice vote. REP. MCNUTT voted by proxy.

Ms. Steinbeck discussed AMDD DP 180 - Authority to Maximize Projects for Assistance in Transition from Homelessness (PATH) Grant.

Motion/Vote: REP. MORGAN moved that AMDD DP 180 BE ADOPTED. Motion carried unanimously by voice vote. REP. MCNUTT voted by proxy.

{Tape: 3; Side: A}

Ms. Steinbeck discussed AMDD DP 9999 - Statewide FTE Reduction.

Motion/Vote: **SEN. COBB moved that AMDD DP 9999 BE ADOPTED.**

Prompted by committee members, **Ms. Steinbeck** discussed FTE reduction in greater detail.

SEN. LIND stated, for the record, the DP 9999 "seems dysfunctional."

Mr. Chappuis stated that the committee will see DP 9999 in each division, as it is an Executive directive. He also noted that the Department did not request this FTE.

{Tape: 3; Side: A; Approx. Time Counter: 3.2}

Responding to **REP. MORGAN** and then later to **SEN. COBB**, **Mr. Mullen** told the committee that the Division is not prepared at this time to discuss specific positions to be eliminated under passage of DP 9999. He went on to discuss other ways that AMDD could absorb the required FTE reduction.

Mr. Chappuis explained to the committee the turnaround process for FTE reduction.

At the request of **CHAIR KAUFMANN**, **Mr. Bob Andersen, Office of Budget and Program Planning (OBPP)**, clarified the relationship between vacancy savings and the elimination of positions. He confirmed that no evaluation is made regarding how FTE reduction might affect programs and services.

The committee, division representatives, **Ms. Steinbeck** and **Mr. Chappuis** conducted an extensive discussion of the effects, origin and necessity of AMDD DP 9999.

Vote: Motion carried 5-2 by roll call vote with **REP. JAYNE** and **REP. KAUFMANN** voting no. **REP. MCNUTT** voted by proxy.

{Tape: 3; Side: A; Approx. Time Counter: 17.9}

Ms. Steinbeck explained to the committee that the Schweitzer Administration has replaced AMDD DP 2 with AMDD DP 3002. She went on to discuss AMDD DP 50 - Montana Mental Health Nursing Care Center Bed Tax.

Motion: **SEN. LIND moved that AMDD DP 50 BE ADOPTED.**

Motion: REP. MORGAN moved that AMDD DP 50, RESTRICTED, BE ADOPTED.

SEN. LIND withdrew his motion without objection.

{Tape: 3; Side: A; Approx. Time Counter: 21.5 - 22}

Responding to REP. JAYNE, REP. MORGAN provided a rationale for restricting AMDD DP 50.

CHAIR KAUFMANN noted the attendance of REP. ROSALIE BUZZAS, HD 93, MISSOULA, Chair of Appropriations, and per protocol announced that while present REP. BUZZAS may act as a voting member of the committee. CHAIR KAUFMANN went on to offer this rationale to REP. MORGAN. Ms. Steinbeck confirmed that this is correct.

REP. MORGAN objected, stating that this rule is different from those of earlier legislative sessions.

CHAIR KAUFMANN stated that REP. MORGAN may be right, and the committee will get clarification on this matter before counting REP. BUZZAS among the voting members.

{Tape: 3; Side: A; Approx. Time Counter: 24.9}

Responding to REP. JAYNE, Mr. Chappuis discussed the consequences of restricting AMDD DP 50.

Vote: Motion carried unanimously by voice vote. REP. MCNUTT voted by proxy.

Ms. Steinbeck discussed AMDD DP 58 - Enhance Community Psychiatric Access.

Replying to CHAIR KAUFMANN, Ms. De Cunzo stated that she has no codified data regarding whether or not the last 25% raise affected access. She noted that during the AMDD listening tour, the need for increased psychiatric access was one of the main issues that the public brought to the attention of the division.

Motion: SEN. LIND moved that AMDD DP 58, WITH REPORTING REQUIREMENT, BE ADOPTED.

Discussion:

Prompted by SEN. WEINBERG, Ms. De Cunzo confirmed that this DP increases rates paid for services provided by current personnel. She stated that the Division's hope is that this DP will

encourage Montana psychiatrists to serve more Medicaid participants.

At the request of **REP. MORGAN**, **Ms. Steinbeck** explained the effects of restricting AMDD DP 58.

Motion: **REP. MORGAN** moved that AMDD DP 58, RESTRICTED, WITH REPORTING REQUIREMENT, BE ADOPTED.

{Tape: 3; Side: B}

Discussion:

Mr. Chappuis offered his comments on the proposed AMDD DP 58 restriction.

REP. MORGAN reiterated and expanded on her rationale for restricting the DP.

Mr. Chappuis noted what would be difficult for the Department to execute and what might be possible in terms of abiding by a restriction on this DP.

{Tape: 3; Side: B; Approx. Time Counter: 7}

Ms. Steinbeck explained to the committee that the restriction poses a very difficult accounting challenge for the Department.

Prompted by **REP. JAYNE**, **CHAIR KAUFMANN** confirmed that if this substitute motion fails, the committee may vote again on AMDD DP 58.

Ms. Steinbeck clarified that if this substitute motion fails, then the committee reverts to a vote on the original motion. She also reported that **REP. MORGAN** was correct in her interpretation of the rules regarding **REP. BUZZA**'s voting capacity in this committee were correct, and that leadership can only vote if one house has a lower number of legislators on the committee. Thus, only **SEN. MIKE COONEY, SD 40, HELENA**, may vote in this committee.

CHAIR KAUFMANN stated that **REP. BUZZAS** would also be able to vote if a legislator of her party were not in attendance, and had not left a proxy.

Vote: Motion failed 3-4 by voice vote with **SEN. COBB**, **REP. MCNUTT**, and **REP. MORGAN** voting aye. **REP. MCNUTT** voted by proxy.

{Tape: 3; Side: B; Approx. Time Counter: 10.2}

CHAIR KAUFMANN announced that per the failure of the substitute motion, the committee reverts to a vote on the original motion.

Vote: Motion carried unanimously by voice vote. **REP. MCNUTT** voted by proxy.

Ms. Steinbeck discussed AMDD DP 70.

Responding to **REP. MORGAN**, **Ms. De Cunzo** discussed development of crisis stabilization centers & programs and related tasks.

Replying to follow-up questions from **REP. MORGAN**, **Ms. Steinbeck** discussed how the committee could propose a DP and spearhead correlate actions needed to create crisis stabilization centers.

{Tape: 3; Side: B; Approx. Time Counter: 13.2}

REP. MORGAN offered a rationale for taking the actions suggested by **Ms. Steinbeck**, and stated that she is interested in speaking especially with **SEN. WEINBERG**, a retired psychiatrist, and **CHAIR KAUFMANN** regarding such action.

Motion: **SEN. LIND** moved that AMDD DP 70, WITH REPORTING REQUIREMENT, BE ADOPTED.

Responding to **SEN. WEINBERG**, **Ms. De Cunzo** discussed the staffing request within AMDD DP 70.

SEN. WEINBERG offered a rationale for adding fewer staff, and asked the committee to consider such action as an option to AMDD DP 70.

Ms. De Cunzo offered a counter-rationale, citing consumer need and referring to a handout she provided to the committee.

EXHIBIT(jhh15a06)

{Tape: 3; Side: B; Approx. Time Counter: 25.5}

SEN. WEINBERG and **REP. MORGAN** expressed their strong concerns that the cost of the five FTE will come from direct services funding.

REP. JAYNE asked **SEN. LIND** if he would be willing to withdraw his motion in order that the committee may examine AMDD DP 70 further.

SEN. LIND withdrew his motion without objection.

Ms. De Cunzo expressed that the Division would be happy to accept the compromise proposal.

{Tape: 3; Side: B; Approx. Time Counter: 27.9}

Motion: **SEN. COBB** moved AMDD DP 70, ALLOCATING THREE FTE FOR THE FIRST YEAR, AND THE SAME THREE FTE FOR THE SECOND YEAR, WITH REPORTING REQUIREMENT.

Responding to **REP. JAYNE**, **SEN. COBB** discussed his ideas regarding how to create, support and fund crisis stabilization centers.

{Tape: 4; Side: A}

Vote: Motion carried 5-2 by voice vote with **REP. MCNUTT** and **REP. MORGAN** voting no. **REP. MCNUTT** voted by proxy.

Ms. Steinbeck discussed AMDD DP 86 - Staff Training to Reduce Violence and Improve Communication.

Motion/Vote: **REP. KAUFMANN** moved that AMDD DP 86 BE ADOPTED. Motion carried unanimously by voice vote. **REP. MCNUTT** voted by proxy.

SEN. LIND requested that the committee delay votes on AMDD DP 3002 and DP 3008 until further information is available.

ADJOURNMENT

Adjournment: 12:00 P.M.

REP. CHRISTINE KAUFMANN, Chairman

LAURA GOOD, Secretary

CK/lg

Additional Exhibits:

EXHIBIT ([jhh15aad0.PDF](#))